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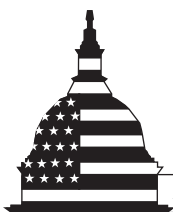
Report to the Subcommittee on Military  
Construction and Veterans Affairs,  
Committee on Appropriations, House of  
Representatives

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January 2011

# DEFENSE INFRASTRUCTURE

High-Level Federal  
Interagency  
Coordination Is  
Warranted to Address  
Transportation Needs  
beyond the Scope of  
the Defense Access  
Roads Program



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Highlights of [GAO-11-165](#), a report to the Subcommittee on Military Construction and Veterans Affairs, Committee on Appropriations, House of Representatives

## Why GAO Did This Study

The unprecedented growth at 26 military installations across the country due to the implementation of several concurrent Department of Defense (DOD) initiatives is expected to stress transportation needs for surrounding communities. The Defense Access Roads program, while small when compared to other transportation funding sources, provides a means for DOD to pay a share of the cost of highway improvements due to unusual and sudden DOD-generated activities.

In response to a congressional request to review the program, GAO (1) assessed the use of the program to mitigate transportation needs and (2) identified additional steps that may be necessary to address unmet transportation needs. GAO conducted extensive interviews with 26 growth installations and visited installations and state authorities in Maryland, Texas, and Virginia to discuss transportation issues.

## What GAO Recommends

GAO recommends that DOD in coordination with the Department of Transportation (1) update, clarify, and communicate the program's guidelines to all stakeholders to promote more effective program utilization, and (2) ensure regular meetings of appropriate high-level leaders to identify existing federal transportation funding resources and develop a strategy for giving priority consideration to defense-affected communities. DOD partially concurred with our recommendations.

View [GAO-11-165](#) or key components. For more information, contact Brian J. Lepore at (202) 512-4523 or [leporeb@gao.gov](mailto:leporeb@gao.gov).

January 2011

## DEFENSE INFRASTRUCTURE

### High-Level Federal Interagency Coordination Is Warranted to Address Transportation Needs beyond the Scope of the Defense Access Roads Program

## What GAO Found

The Defense Access Roads program is providing some assistance in mitigating transportation needs in communities surrounding growth installations, but program usage has been limited, in part, by a lack of knowledge of the program, outdated regulations, and unclear guidance on how to navigate the program's complex process. DOD has certified 20 transportation projects at 11 of the 26 military installation locations since 2004. Of the 20 certified projects, 11 have been funded at about \$125 million. Considering funding delays and construction time frames, most of the approved projects to date are unlikely to provide relief in the near term. The procedures of the Defense Access Roads program are complex, involving multiple federal, state, and local stakeholders. The guidance describing the program's procedures and, specifically, the application of the criteria, is difficult to follow and some regulations and guidance are outdated. Despite program outreach efforts and positive experiences with program administrators, military officials from 11 installations said that more information would be helpful to clarify the program's procedures. Without program guidance that clearly details the program's procedures and is effectively communicated to all stakeholders, the program may not be used to its fullest extent.

GAO identified an additional step that may be necessary to meet the large pool of the transportation needs that are not being met by the Defense Access Roads program—greater high-level federal interagency coordination. Aside from the Defense Access Roads program, other sources of funding exist that can be used to help mitigate unmet needs in the defense-affected communities. Local and state agencies generally have the responsibility for constructing and maintaining highways and are the recipients of billions of dollars from federal sources, such as grants from the Department of Transportation or through the American Recovery and Reinvestment Act. GAO found that some of the transportation projects at several of the military growth locations have been funded by the states in which they are located and others are recipients of American Recovery and Reinvestment Act funds. Because this assistance is coming from diverse sources and is largely uncoordinated among the stakeholders involved, it is unclear to what extent priority consideration is being given to the defense-affected communities as prescribed by Executive Order 12788. This presidential order provided for a federal committee—the Economic Adjustment Committee—bringing together 22 agencies, under the leadership of the Secretary of Defense or his designee to, among other things, support various programs designed to assist communities most affected by defense activities. As chair of the committee, DOD has the opportunity to convene full committee meetings and exercise high-level leadership needed to ensure that federal agencies are affording priority consideration to defense-affected communities. However, the committee has only rarely convened and has at no time discussed transportation needs affecting all 26 growth locations. Without this leadership, it is unlikely that the federal agencies can provide the effective interagency and intergovernmental coordination and potential funds needed to help address the unmet transportation needs of defense-affected communities.

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## Abbreviations

BRAC	Base Realignment and Closure
DAR	Defense Access Roads
DOD	Department of Defense

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GAO

Accountability \* Integrity \* Reliability

United States Government Accountability Office  
Washington, DC 20548

January 26, 2011

The Honorable John Culberson, Chairman  
The Honorable Sanford D. Bishop, Jr., Ranking Member  
Subcommittee on Military Construction and Veterans Affairs  
Committee on Appropriations  
House of Representatives

The recent concurrent implementation of numerous Department of Defense (DOD) initiatives—including the 2005 Base Realignment and Closure (BRAC) round, force structure increases for the Army and the Marine Corps under the Grow the Force initiative, a major Army reorganization known as force modularity and the redeployment of U.S. forces in overseas locations back to the United States under the Global Defense Posture Realignment—has resulted in anticipated and actual growth at many domestic military installations and has produced a concomitant increase in unmet transportation needs in many surrounding communities. According to several transportation experts, while many of these needs may have existed prior to the growth, DOD growth has exacerbated those needs with, for example, increased traffic congestion. Military and civilian quality of life as well as military mission, in certain cases, can be adversely affected if off-installation transportation infrastructure becomes significantly overburdened due to growth in installation populations.

State and local highway agencies are primarily responsible for developing and maintaining public highways that meet normal defense and other transportation needs. These agencies rely on federal dollars primarily from the Highway Trust Fund to help accomplish this mission. In fiscal year 2009, approximately \$42.4 billion was provided to states and the District of Columbia through this fund for highway-related projects.<sup>1</sup> In addition, in February 2009, the American Recovery and Reinvestment Act of 2009 provided another approximately \$25.6 billion for state and local highway infrastructure investment projects. Nonetheless, a large backlog of unmet transportation needs remains, in part because state and local governments have experienced fiscal pressures that have strained their ability to help

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<sup>1</sup>This amount does not include approximately \$454,000 in funding provided to U.S. territories in 2009.

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fund their share of transportation projects.<sup>2</sup> While it is difficult to determine the magnitude of the unmet needs, we reported in 2009 that communities surrounding 18 military installations expecting BRAC-related growth had estimated over \$2 billion in defense-related transportation needs.<sup>3</sup> This has resulted in an increased interest in the Defense Access Roads (DAR) program to help mitigate adverse transportation impacts.

The DAR program, established in 1956, authorizes the Secretary of Transportation to use funds appropriated for Defense Access Roads to fully or partially fund public road improvements that are certified as important to national defense.<sup>4</sup> The program is co-administered by DOD and the Department of Transportation and provides a means for DOD to pay its “fair share” of public road improvements needed in response to sudden and unusual defense-generated traffic impacts to help ensure adequate transportation capacity is in place when needed.<sup>5</sup> Although the program is much smaller than other federal transportation funding sources, averaging about \$22.5 million a year in funding for transportation projects since calendar year 2001, it is unique in that it establishes a method for DOD to play a role in funding projects that typically fall under the Department of Transportation’s scope of responsibility. Under DAR program regulations, military installation commanders can initiate a request for assistance from DAR if the defense-related transportation need affecting the surrounding community is sudden, unusual, or unique in

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<sup>2</sup>GAO, *State and Local Governments: Fiscal Pressures Could Have Implications for Future Delivery of Intergovernmental Programs*, [GAO-10-899](#) (Washington, D.C.: July 30, 2010).

<sup>3</sup>GAO, *Military Base Realignments and Closures: Transportation Impact of Personnel Increases Will Be Significant, but Long-Term Costs are Uncertain and Direct Federal Support is Limited*, [GAO-09-750](#) (Washington, D.C.: Sept. 9, 2009).

<sup>4</sup>Pub. L. No. 85-767 (1958) (codified as amended at 23 U.S.C. § 210). Funds are typically provided within DOD appropriations and transferred to the Federal Highway Administration.

<sup>5</sup>The term “fair share” is used in DOD and Federal Highway Administration regulations to describe potential DOD contributions under the DAR program, but is not defined. Army Regulation 55-80/OPNAVINST 11210.2/AFMAN 32-1017/MCO 11210.2D/DLAR 4500.19, *DOD Transportation Engineering Program*, (Nov. 17, 2003); 23 C.F.R. § 660.503. DOD does not have a systematic formula for determining its “fair share” of the cost of transportation improvement projects. According to a senior DOD official, the amount is negotiated on a case-by-case basis considering relevant facts such as: (1) the availability of state and local funds, (2) the defense-related magnitude of the impact, and (3) whether improvements are planned beyond those required to address the defense-generated impact.

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nature, and state and local transportation authorities are either unable or unwilling to address the need within an acceptable time frame.

In our prior work on the impact of military growth installations on surrounding communities,<sup>6</sup> we found that 80 percent of those communities cited transportation as one of their top three infrastructure challenges stemming from the growth. We have also reported previously on federal, state, and local actions to mitigate growth impacts and found that federal monetary support for those defense-affected communities has been limited.<sup>7</sup> Moreover, we reported that while it is DOD's policy to take a leadership role to assist defense-affected communities as detailed in DOD Directive 5410.12, DOD had not provided the high-level leadership critical to achieving effective interagency collaboration, by neglecting to convene the 22-agency Economic Adjustment Committee—which includes the Secretary of Transportation or his designated principal deputy and is to be chaired by the Secretary of Defense or his designee. Under Executive Order 12788, the Economic Adjustment Committee is expected to provide coordinated federal economic adjustment assistance to defense-affected communities.<sup>8</sup> (See appendix IV for a reprint of Executive Order 12788.) As of November 2010, DOD officials said that DOD had yet to convene the entire Economic Adjustment Committee regarding domestic military growth impacts.<sup>9</sup> We further reported that, in the absence of high-level leadership in the Office of the Secretary of Defense, DOD's Office of Economic Adjustment had been proactive in assisting affected communities by providing technical assistance and grants to plan for growth, but could not guide interagency operations at a high enough level to promote effective interagency coordination to better identify available federal assistance.

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<sup>6</sup>GAO, *Defense Infrastructure: High-Level Leadership Needed to Help Communities Address Challenges Caused by DOD-Related Growth*, [GAO-08-665](#) (Washington, D.C.: June 17, 2008).

<sup>7</sup>[GAO-09-750](#).

<sup>8</sup>Exec. Order No. 12788, 57 Fed. Reg. 2213 (Jan. 21, 1992) (as amended).

<sup>9</sup>Although the Economic Adjustment Committee was convened in February 2010 to address issues pertaining to Guam and DOD officials said some of the Economic Adjustment Committee members met in September 2010 to address issues at Fort Bragg, the Economic Adjustment Committee has never been convened with the purpose of addressing transportation issues facing the domestic communities surrounding the 26 growth installations.



While recognizing the importance of the current DOD growth initiatives, the House Appropriations Committee’s Subcommittee on Military Construction and Veterans Affairs expressed concerns about the potential impact on the quality of life and military mission if off-installation transportation infrastructure becomes significantly overburdened due to population increases at growth installations. Consequently, the subcommittee asked us to review DOD’s use of the DAR program to mitigate defense-generated traffic impacts. For this report, our objectives were (1) to assess the extent to which the DAR program has been used to mitigate defense-related transportation impacts on surrounding communities, and (2) to identify additional steps that may be necessary to address unmet transportation needs in those impacted communities.

To address our objectives, we focused our review on the transportation needs and use of the DAR program at the 26 domestic military installation locations eligible for assistance from DOD’s Office of Economic Adjustment as growth installations.<sup>10</sup> These 26 installations are listed in table 1. (See fig. 1 in the Background section of this report for a map of these locations.)

**Table 1: List of 26 Domestic Military Growth Installations**

Installation name and state	
1.	Aberdeen Proving Ground, Md.
2.	Cannon Air Force Base, N.M.
3.	Eglin Air Force Base, Fla.
4.	Fort Belvoir, Va.
5.	Fort Benning, Ga.
6.	Fort Bliss, Tex.
7.	Fort Bragg, N.C.
8.	Fort Carson, Colo.
9.	Fort Drum, N.Y.
10.	Fort Hood, Tex.
11.	Fort Knox, Ky.

<sup>10</sup>Based on DOD’s Office of Economic Adjustment, 24 communities surrounding 26 military installations, as shown in table 1, have been designated as “growth communities.” One community in North Carolina was in close proximity to 3 Marine Corps installations. For the purposes of this report, we describe the growth by installation name rather than by the community name.

Installation name and state	
12.	Fort Lee, Va.
13.	Fort Meade, Md.
14.	Fort Polk, La.
15.	Fort Riley, Ks.
16.	Fort Sill, Ok.
17.	Fort Stewart, Ga.
18.	Joint Base Andrews-Naval Air Facility Washington, Md.
19.	Joint Base Lewis-McChord, Wash.
20.	Joint Base San Antonio, Tex.
21.	Marine Corps Air Station Cherry Point, N.C.
22.	Marine Corps Air Station New River, N.C.
23.	Marine Corps Base Camp Lejeune, N.C.
24.	Marine Corps Base Quantico, Va.
25.	Naval Support Activity Bethesda, Md.
26.	Redstone Arsenal, Ala.

Source: DOD.

To assess the extent to which the DAR program has been used to mitigate defense-related transportation needs, we used a data collection instrument consisting of structured interview questions related to transportation needs and use of the DAR program that we asked of installation officials responsible for transportation issues at the 26 growth locations. We used the structured interview approach to provide consistency and help assure comparability of the responses we received. We subsequently analyzed the responses to identify any significant trends and to gain further insight into the nature of the transportation needs and issues with use of the DAR program to mitigate transportation issues. We also analyzed appropriate DOD and Department of Transportation laws and regulations and conducted extensive follow-on interviews with DOD officials responsible for implementing the DAR program at DOD's Military Surface Deployment and Distribution Command and with Federal Highway Administration officials within the Department of Transportation. To better understand how military installation officials interact with the wide array of state and local transportation officials and community stakeholders, we conducted more in-depth field work in the three states with the largest number of military growth communities—Maryland, Texas, and Virginia. In those states, we discussed transportation issues with state government officials and conducted field work at three growth bases—the Naval Support Activity Bethesda in Maryland; Fort Bliss in El Paso, Texas; and several Fort Belvoir locations in Northern Virginia—where we reviewed relevant

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documentation and discussed specific DAR projects and transportation needs that remain unmet.

To identify additional steps that may be necessary to address unmet transportation needs surrounding military growth installations, we used our data collection instrument to ask military officials at the 26 growth installations what they thought was working well within the DAR program and what actions, if any, could be taken to improve the program. We also interviewed DOD and Department of Transportation officials regarding what other funding resources were available to address unmet transportation needs and the extent of high-level interaction to address transportation needs. We further reviewed our prior work related to challenges facing military growth communities and the status of actions taken by DOD in response to the findings resulting from that work. (See appendix I for more information on our scope and methodology.)

We conducted this performance audit from November 2009 through December 2010 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

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## Background

DOD is currently implementing several major force structure and basing initiatives that are expected to result in a large number of personnel movements and changes in the size and shape of its domestic installation infrastructure, most of which are expected to be completed by the end of 2011. First, under the 2005 BRAC round, DOD is implementing 182 recommendations, as set forth by the BRAC Commission, which must be completed by the statutory deadline of September 15, 2011. Through the 2005 BRAC process, DOD intended to transform its departmentwide domestic installation infrastructure and, as such, the recommendations have an unusually large number of realignment actions that are expected to result in significant personnel movements across DOD's installations. Second, under the Global Defense Posture Realignment, DOD is realigning its overseas basing structure to more effectively support current allies and strategies in addition to addressing emerging threats and is returning thousands of service members, along with family members and civilian employees, to the United States. Third, the Army is also undergoing major force restructuring in implementing its force modularity effort, which has been referred to as the largest Army reorganization in 50 years. Finally,

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DOD is implementing a Grow the Force initiative intended to permanently increase the end strength of the Army and Marine Corps by 74,000 soldiers and 27,000 marines, respectively, to enhance overall U.S. forces. When considered collectively, the simultaneous implementation of these initiatives is generating large personnel increases at many military installations within the United States, which, in turn, is impacting the communities that are in close proximity to those installations.

As specified in the National Defense Authorization Act for Fiscal Year 2006, it is the sense of Congress that the Secretary of Defense should seek to ensure that the permanent facilities and infrastructure necessary to support the mission of the armed forces and the quality-of-life needs of members of the armed forces and their families are ready for use at receiving locations before units are transferred to such locations.<sup>11</sup> Because communities surrounding these locations also play a vital role in providing support to the military, it is executive branch and DOD policy that DOD shall take the leadership role within the federal government in helping substantially and seriously affected communities plan for and identify resources to help adapt to the effects of various defense program activities.<sup>12</sup> The Secretary of Defense, or his designee, chairs the President's Economic Adjustment Committee, which consists of 22 federal agencies and is charged with, among other things, ensuring that communities that are substantially and seriously impacted by DOD actions are aware of available federal programs. The Economic Adjustment Committee is also responsible for supporting the Defense Economic Adjustment Programs, which includes assuring interagency and intergovernmental coordination and adjustment assistance and serving as a clearinghouse to exchange information among federal, state, regional, and community officials in the resolution of certain DOD-related community economic problems. Within DOD, the Office of Economic Adjustment—a field activity under the Office of the Under Secretary of Defense (Acquisitions, Technology, and Logistics)—provides administrative support for the Economic Adjustment Committee in addition to its duties to provide technical and planning assistance to affected communities.

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<sup>11</sup>Pub. L. No. 109-163, § 2836(b) (2006).

<sup>12</sup>DOD Directive 5410.12, *Economic Adjustment Assistance to Defense-Impacted Communities* (July 5, 2006).

As of December 2010, DOD's Office of Economic Adjustment had identified the affected communities surrounding 26 domestic growth installations in need of assistance based on direct DOD growth activities and in light of community-specific needs and resources. Figure 1 shows the location of the 26 growth installations.

**Figure 1: Location of 26 Domestic Military Installations Expecting Substantial DOD-Related Growth**



Source: DOD; Map Resources (map).

In our previous work reviewing DOD's impact on communities surrounding growth installations, we found that inadequate transportation infrastructure was the number one issue cited by communities.<sup>13</sup> Many of these needs had been long-standing and existed prior to recent DOD-

<sup>13</sup>GAO-08-665. When asked to identify their top infrastructure challenges, 16 of the 20 communities cited transportation, 11 named school capacity, and 6 said affordable housing.

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related growth activities according to several transportation experts, and the communities, states, and the federal Department of Transportation are normally responsible for addressing transportation needs outside of the installation. In addition, to receive federal transportation funding, projects must emerge from the relevant community and state department of transportation planning process. The Federal Highway Administration's regulations state that state and local highway agencies are expected to assume the same responsibility for developing and maintaining adequate highways to permanent defense installations as they do for highways serving private industrial establishments or any other permanent traffic generators, and that the federal government expects that highway improvements in the vicinity of defense installations will receive due priority consideration and treatment as state and local agencies develop their programs of improvement.<sup>14</sup>

Nonetheless, the DAR program, which is co-administered by DOD and the Department of Transportation, provides a means for the Secretary of Transportation to use funds appropriated for defense access roads to fully or partially fund public road improvements that are certified by the Secretary of Defense as important to the national defense.<sup>15</sup> The DOD service regulation states that the program provides a means for DOD to pay a fair share of improvements required as a result of sudden and unusual defense-generated traffic impacts or unique defense requirements.<sup>16</sup> (See appendix II for selected provisions regarding the Defense Access Roads program.) Although the program is a small fraction of other federal transportation resources—averaging about \$22.5 million a year compared to the \$42.4 billion provided to states and the District of Columbia through the Department of Transportation's Highway Trust Fund<sup>17</sup> in fiscal year 2009—it establishes a method for DOD, under very specific circumstances, to transfer appropriated funds to the Department of Transportation to make road improvements. Under the DOD service

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<sup>14</sup>23 U.S.C. 210, 315; 49 CFR 1.48(b). § 660.509.

<sup>15</sup>Pub. L. No. 85-767 (1958) (codified as amended at 23 U.S.C. § 210).

<sup>16</sup>We use the term "DOD service regulation" to refer to the regulation published jointly by the services and Defense Logistics Agency to govern the DAR program. Army Regulation 55-80/OPNAVINST 11210.2/AFMAN 32-1017/MCO 11210.2D/DLAR 4500.19, *DOD Transportation Engineering Program* (Nov. 17, 2003).

<sup>17</sup>Funds held in the Highway Trust Fund are primarily collected from excise taxes collected on motor fuels and truck-related items and are distributed to the states based on statutory formulas.

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regulation governing DAR, military installation commanders are responsible for identifying public highway deficiencies that require corrective action, and contacting state and local transportation authorities for relief. State and local transportation authorities are expected to consider the defense-related needs in the context of all road improvement needs,<sup>18</sup> including needs to expand and maintain existing roads and bridges when deciding which transportation projects to fund. If state and local transportation authorities are either unable or unwilling to address the need within an acceptable time frame, the installation commander may initiate a request for assistance under the DAR program, which may ultimately result in a determination by DOD regarding whether the request meets DAR eligibility criteria.

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## The DAR Program Has Begun to Address Some Transportation Needs in Growth Communities but Its Use Has Been Limited

Although the DAR program has addressed some transportation needs in communities surrounding many military growth installations, we found that a lack of knowledge of the program in general and, specifically, a lack of clear guidance on how to navigate the program's complex certification and funding processes, has limited its use.<sup>19</sup>

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## The DAR Program Has Begun to Address Some Transportation Needs

From calendar year 2001 to 2010, Congress has appropriated about \$225 million for DAR projects—ranging from no funds in several years to \$89.9 million in 2008—for an average of about \$22.5 million per year. Our analysis of DOD data shows that about \$125 million of that amount was designated for projects at military growth installation locations.<sup>20</sup> As shown in table 2, as of December 2010, DOD had certified 20 transportation projects as DAR-eligible for DOD funding at 11 of the 26

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<sup>18</sup>23 U.S.C. 210, 315; 49 CFR 1.48(b). § 660.509.

<sup>19</sup>Many of the installation officials we contacted also stated that narrow criteria for determining which projects are eligible for DAR funding and stiff competition for available DOD military construction funds also hindered their ability to make more use the DAR program.

<sup>20</sup>The remaining \$100 million was used for projects outside of the scope of this review, including road projects on Guam and at installations that were not impacted by recent DOD growth activities.

growth installation locations since calendar year 2004. Of the 20 projects certified eligible for DAR, over half of those projects (11 of 20) had been funded. A senior DOD official stated that funding for the remaining projects was pending, and that any funds provided would occur in fiscal year 2011 and beyond.<sup>21</sup> Moreover, none of the funded projects were completed at the time of our review and the earliest expected completions were for 3 projects in 2011 at the former Engineering Proving Ground location at Fort Belvoir. Because most of the population growth at the 26 installations will likely occur by September 15, 2011—the mandated completion of the 2005 BRAC round—and considering the 10-year time frame necessary to proceed from design to construction for some major transportation projects, as estimated by the Maryland Department of Transportation’s State Highway Administration, most of the certified DAR projects to date will not immediately mitigate the transportation needs in the near term but should provide some relief in later years if and when the projects are funded and completed.

**Table 2: Use of DAR Program at DOD Growth Installations (as of December 2010)**

(Dollars in millions)

	Installation <sup>a</sup>	Projects (Criteria used <sup>b</sup> )	Year certified	Year funded	DAR funded <sup>c</sup>	Estimated cost	Project status
1.	Aberdeen Proving Ground, Md.	Intersection improvements (Doubling of traffic)  Intersection improvements (Doubling of traffic)	2010	Pending	Pending	\$69.7	Planning—ECD <sup>d</sup> pending
2.	Eglin AFB, Fla.	New interchange (New access)	2009	2010	\$15.0	15.0	Planning—ECD 2013
3.	Fort Belvoir, Va.	New road <sup>e</sup> (Replacement road)	2004	2007	34.0	52.4	Construction— ECD 2012
		New access road (New access)	2008	2008	36.0	36.2	Construction— ECD 2011
		New access road (New access)					
		New interchange ramps (New access)					
4.	Fort Bliss, Tex.	New interchange (New access)	2010	Pending	Pending	18.0	Pending

<sup>21</sup>For the purposes of this report, pending refers to funding that has not been made available because it has not been either requested, programmed, or appropriated.



(Dollars in millions)							
	Installation <sup>a</sup>	Projects (Criteria used <sup>b</sup> )	Year certified	Year funded	DAR funded <sup>c</sup>	Estimated cost	Project status
5.	Fort Bragg, N.C.	Road improvements (Replacement road)	2004	2008	21.8	84.0	Construction— ECD 2014
		Road improvements (Replacement road)					
6.	Fort Carson, Colo.	New road alignment (New access)	2004	2008	8.3	9.0	Design— ECD 2012
		New road alignment (New access)					
		Road improvement (New access (gate))	2009	Pending	Pending	5.0	Pending
7.	Ft. Lee, Va.	Intersection improvements (Doubling of traffic)	2008	2010	5.0 <sup>f</sup>	4.8	Design— ECD 2012
8.	Fort Meade, Md.	Intersection improvements (Doubling of traffic)	2010	Pending	Pending	60.5	Pending
		Intersection improvements (Doubling of traffic)					
9.	Marine Corps Base Camp Lejeune, N.C.	New interchange (New access)	2009	2010	4.4	27.0	Planning—ECD 2014
10.	Redstone Arsenal, Ala.	Intersection improvements (Doubling of traffic)	2010	Pending	Pending	11.0	Pending
		Intersection improvements (Doubling of traffic)					
11.	Naval Support Activity Bethesda, Md.	Intersection improvements (Doubling of traffic)	2009	Pending	Pending	15.0 to 60.0	Planning—ECD pending
<b>Total</b>	<b>11 installations</b>	<b>20 projects certified</b>		<b>11 projects funded</b>	<b>\$124.5</b>	<b>\$407.6 to \$452.6</b>	

Source: GAO analysis of DOD data.

Notes:

<sup>a</sup>This table does not include approximately \$48.6 million for DAR projects on Guam.

<sup>b</sup>The DAR program has specific established criteria to determine a project's eligibility. These criteria are discussed in greater detail later in this section of the report. According to a senior DAR program official, the only known project that has been deemed eligible outside of these criteria was along Fort Irwin Road in California. About 90 percent of the traffic on this road was destined for Fort Irwin, Calif. and slow moving DOD convoys created a safety problem (high rate of fatalities). The project widened small sections of Fort Irwin Road to create passing lanes on climbing sections. According to the same official, the road had been certified important to national defense in 1981.

<sup>c</sup>Represents the portion of the total project cost appropriated through the relevant military services' base realignment and closure funds or military construction funds as of December 2010.

<sup>f</sup>Estimated completion date (ECD).

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<sup>a</sup>This project is located at Main Post, Fort Belvoir. The other three projects are located at Fort Belvoir North Area, formerly referred to as the Engineering Proving Ground.

<sup>b</sup>The \$0.2 million difference between the estimated cost and the DAR funded amount provides for increases in material costs or other unexpected cost. The Department of Transportation returns all unused funds to DOD.

As shown in table 2, the most common type of DAR project at the growth installations involves intersection improvements (8 of the 20), which can accommodate an increase in traffic volume using a variety of approaches. For example, the two DAR projects at Redstone Arsenal in Alabama will increase the capacity of the intersections by adding turning lanes. The DAR project at Fort Lee, Virginia will increase traffic volume capacity by transforming intersections into a roundabout. The DAR project at the Naval Support Activity Bethesda in Maryland will address a “pedestrian-vehicular conflict” at the intersection of Rockville Pike and South Wood Road to allow installation employees and hospital visitors to safely cross the busy intersection from the public transit metro stop. (Figure 2 shows the intersection as it exists today.)

**Figure 2: Location of Future DAR Pedestrian Project in Bethesda, Maryland**



Source: GAO.

Four installations have DAR projects that will add new interchanges, such as entry and exit ramps, to existing highways. For example, Fort Bliss will add interchange ramps accessing Texas State Loop 375 and additional underpass lanes in preparation for the Army's new Brigade Combat Teams and associated traffic expected as a result of the 2005 BRAC round decisions. (See fig. 3 for a photo of the underpass, which will be widened.)

**Figure 3: Location of Future DAR Interchange Ramps and Expanded Underpass at State Loop 375 at Fort Bliss in El Paso, Texas**



Source: GAO.

Another eight DAR projects involve new roads, road improvements, or road realignments. Fort Belvoir, the installation with the largest number of DAR projects, is using appropriated military construction funds to build Mulligan Road, as shown in figure 4 below, which will be the new public access connection through the installation between Richmond Highway and Telegraph Road. This road replaces the Beulah Street/ Woodlawn Road corridor, which was closed following September 11, 2001, for security reasons since it crossed through the northern portion of the Main Post of Fort Belvoir.



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**Figure 4: Construction of a New DAR Road at Fort Belvoir (Main Post) in Fairfax County, Virginia**



Source: GAO.

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## The Process for Certifying and Funding DAR Projects Is Complex

The process for certifying and funding a DAR project is complex due to the need to coordinate with numerous DOD, Department of Transportation, state, and local stakeholders. The process begins with the installation commander. According to the DOD service regulation governing the DAR program, when the commander of a DOD installation determines that improvements to a public road are needed, it is the responsibility of that commander to bring deficiencies to the attention of the appropriate state or local authority. In cases where the state or local transportation authority cannot or will not correct the deficiency, the installation commander has the option to initiate the process of requesting assistance for improvements under the DAR program by preparing a needs report. After reviews through military service command channels, DOD's Military Surface Deployment and Distribution Command then determines potential project eligibility and requests that the Federal Highway Administration conduct an evaluation of the transportation need and potential solutions in coordination with the relevant state department of transportation and other officials. Using the results of that study, the Military Surface Deployment and Distribution Command determines

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whether the transportation project meets one of the DAR program eligibility criteria:<sup>22</sup>

- A new access road to an installation is needed to accommodate a defense action.
- A defense action causes traffic to double.
- Urgent improvements are needed to accommodate a temporary surge in traffic to or from an installation because of a defense action.
- A new or improved access road is needed to accommodate special military vehicles, such as heavy equipment transport vehicles.
- A replacement road or connector is required for one closed because of military necessity.

The share of the total project cost that DOD will contribute is negotiated between DOD, the Department of Transportation, and appropriate state and local authorities. Based on the eligibility criteria determination and funding negotiations, the Commander of the Military Surface Deployment and Distribution Command may then certify the project as important to the national defense, as required by the DAR statute.<sup>23</sup> The DAR program does not have a separate source of funds; instead, for DOD's share of the funding, DAR projects must compete against other construction projects—such as child care centers, maintenance buildings, and mission facilities such as piers, hangars, and barracks—across installations and commands.<sup>24</sup> In addition, securing funds for a DAR project may take years as many planned projects are already awaiting funds, due in part to DOD's numerous ongoing growth initiatives. For example, a senior Army official

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<sup>22</sup>The eligibility criteria are described in detail in the Federal Highway Administration nonregulatory supplement to title 23 of the Code of Federal Regulations as adopted by DOD and applied to the DAR program in the DOD service regulation. The last criterion, regarding replacement roads or connectors, is the only criterion derived directly from the statute authorizing the DAR program, 23 U.S.C. § 210. The Secretary of Defense is the final certifying authority for eligibility determinations under the authorizing statute, although according to a senior DAR program official, no known cases exist where the Secretary of Defense has personally approved or denied a DAR project. Also, while Fort Lee and Fort Belvoir had partial projects in their packages rejected, only one project, which was at Buckley Air Force Base in Colorado (not a DOD growth installation), was fully and formally rejected because the road was not experiencing a doubling of traffic.

<sup>23</sup>Responsibility for the certification required under 23 U.S.C. § 210 is delegated to the U.S. Transportation Command. DOD Directive 4510.11, *DOD Transportation Engineering* (Apr. 12, 2004). It is then further delegated in the DOD service regulation.

<sup>24</sup>In a few instances, DOD has utilized BRAC funds for projects necessary to complete a BRAC-designated action, such as constructing access roads to a main highway at Fort Belvoir.

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emphasized the competing needs for military construction funds, by noting that as of April 2010, there were 2,500 projects worth \$62 billion in the service's database, of which only about \$2 billion could be expected to be funded each year.

After Congress appropriates funds designated for a DAR project, DOD transfers those funds to the Department of Transportation, which, in turn, disburses those funds to the appropriate state or federal entity to accomplish the necessary work to complete the project. Following the transfer of funds, the Department of Transportation's Federal Lands Highway Office and the appropriate state division office of the Federal Highway Administration oversee project execution. According to a senior program official, DOD is also involved in project oversight through the review of project documents and the authorization of the expenditure of DAR funds by the Department of Transportation for appropriate phases of the work, thus ensuring DAR projects meet the agreed-upon defense requirements. (Appendix III provides additional detail in an overall schematic of the DAR process.)

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### Some Military Officials Were Unfamiliar with the Program and How It Works

We found that some military officials were unfamiliar with the DAR program and how it works, despite DOD's outreach efforts to inform growth installations about the program. Representatives of the Military Surface Deployment and Distribution Command contacted officials at installations gaining over 1,000 personnel in population as a result of BRAC 2005 to discuss the DAR program. In addition, representatives of the command presented information on the DAR program at three conferences led by DOD in Atlanta, Georgia in May 2006; St. Louis, Missouri in December 2007; and Orlando, Florida in November 2009. Nonetheless, officials from 4 of the 26 growth installations stated that they had no knowledge of the program or who administers it. Of the remaining 22 installations, officials from 11 installations commented positively on the efforts of DAR program administrators, stating that they were helpful or transparent.<sup>25</sup> When officials from these 22 installations were asked what could be improved with the program, 11 of the 22 said that more information on how to certify and fund DAR projects would be helpful.<sup>26</sup>

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<sup>25</sup>Officials from the remaining 11 installations did not provide comments on the program administrators.

<sup>26</sup>Officials from 9 of the remaining 11 installations did not provide comments on the availability of program information and officials from the last 2 installations commented positively on the availability of program information.

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One official characterized the process as a complicated puzzle because so many steps and players had to come together in just the right way to be successful. Navy officials at the Naval Support Activity Bethesda in Maryland noted that they relied extensively on the installation's full-time transportation planner, who was able to work with the many stakeholders involved in the DAR process and stated that this was a potential "lesson learned" for other growth installations. Officials from 5 of the 26 installations we interviewed expressed confusion about the DOD chain of command in the DAR process, particularly inside the Army. For example, Army officials from four installations misunderstood DOD data requests funneled through the Army Installation Management Command as DAR project data calls and therefore did not take appropriate action to begin the DAR certification process at the installation level. We also found the roles of various state and federal agencies can differ and can be a source of confusion for DAR stakeholders. For example, senior transportation officials stated that a Federal Lands Highway division office is directing the construction of DAR projects at three installations whereas the states' departments of transportation are directing the construction of the other DAR projects. In addition, officials from one of the Federal Highway Administration's Federal-aid Division Offices were unclear as to when their own office becomes involved with the DAR program.

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#### DAR Regulations and Guidance Are Outdated and Do Not Clarify Process

We also found that the DAR process is not readily explained in available DAR regulations and guidance, which are outdated in certain ways. DAR program regulations and guidance are promulgated by both DOD and the Department of Transportation. A senior Department of Transportation official told us that some of the DAR regulations and guidance have not been updated in nearly 20 years even though the program has changed. For example, under current Department of Transportation eligibility criteria, the doubling of traffic criterion is limited to secondary roads, rather than highways, which would limit DAR projects to smaller, more rural roads. Although the DOD organization—the Military Surface Deployment and Distribution Command—that currently administers the program no longer makes such a distinction when considering projects for certification, the expanded eligibility of urban highway projects is not apparent in the program regulations and guidance. In addition, the command responsible for administering the DAR program changed its name in 2004, but this change is not reflected in DOD or Department of



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Transportation regulations and guidance.<sup>27</sup> Furthermore, the DOD service regulation refers to the Federal Highway Administration's Federal-Aid Policy Guide, which has been replaced.<sup>28</sup> Moreover, in addition to certain outdated aspects of current regulations and guidance, there is a lack of working-level guidance<sup>29</sup> available to help clarify the application of the eligibility criteria for potential DAR program users in complex situations. For instance, users often conclude that meeting the doubling of traffic criterion is potentially impossible on an already congested urban highway, without recognizing that, if the transportation need was limited in scope, it could potentially meet the criteria. For example, if the scope is limited to an exit ramp at a particularly busy time of day, the doubling of traffic criterion could possibly be met to make a case for DAR eligibility for the ramp itself but not necessarily the highway. One installation official stated that his office had determined that a potential DAR project did not meet the doubling of traffic criterion and consequently did not apply.

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### Good Internal Controls Require That the Program Regulations and Guidance Be Clear and Current

Having clear and current regulations and guidance helps to foster improved understanding of a program and reduces confusion among key stakeholders. According to the *Standards for Internal Control in the Federal Government*,<sup>30</sup> a good internal control environment requires that the agency's organizational structure clearly defines key areas of authority and responsibility and that lines of communication exist both within the agency to ensure compliance with laws and regulations and externally with stakeholders to obtain information that may have significant impact

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<sup>27</sup>The DOD and Department of Transportation DAR program regulations refer to the Military Traffic Management Command, which became the Military Surface Deployment and Distribution Command (a component command of the U.S. Transportation Command) in 2004.

<sup>28</sup>The Federal-Aid Policy Guide, while still available at the Federal Highway Administration Web site, was recently replaced by the Federal-Aid Highway Program Policy and Guidance Center. Federal Highway Administration Order 1340.3, *Establishment of the Federal-Aid Highway Program Policy and Guidance Center* (Jan. 6, 2010). The underlying regulations and guidance of the Federal-Aid Policy Guide pertaining to the DAR program were not affected, but according to a senior Department of Transportation official, the regulations and guidance are not yet in the new Policy and Guidance Center.

<sup>29</sup>For the purposes of this report, working-level guidance could consist of a variety of user-friendly aids such as a handbook, pamphlets, frequently asked questions, or case studies.

<sup>30</sup>The Federal Managers' Financial Integrity Act of 1982 requires GAO to issue standards for internal control in government. GAO updated these standards in November 1999. GAO, *Standards for Internal Control in the Federal Government*, AIMD-00-21.3.1 (Washington, D.C.: November 1, 1999).

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on the agency's ability to achieve its goals. As a result of outdated regulations and a lack of working-level guidance clearly communicated to better inform potential DAR program users, those users may be overly dependent on DOD and Department of Transportation program officials for advice and instruction throughout the process for each DAR project. Although current DOD and Department of Transportation program administrators have been able to implement the DAR program despite these challenges, any change in key personnel at either agency could significantly impact the program's implementation because DAR users are currently dependent on their assistance to navigate the DAR process. In addition, without up-to-date regulations and working-level guidance clearly communicated to better inform potential users about the DAR program process, the likelihood exists that the program as designed is not being used to its fullest extent.

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## **DOD and the Department of Transportation Have Not Taken Additional Steps Necessary to Effectively Identify and Coordinate Other Funding Options to Address Unmet Transportation Needs**

A number of federal transportation programs, other than DAR, provide funding for state and local governments to use to help address defense-related transportation needs. However, communities most affected by DOD growth continue to face unmet transportation needs and federal agencies lack a coordinated strategy to address those needs. Installation officials identified many unmet transportation needs and two issues limiting their ability to use the DAR program to address these needs.

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## **Defense-Related Transportation Needs Are Funded through Various Means**

Transportation projects in defense-affected communities can be funded through several federal or state resources. A number of existing federal transportation programs provide funding that state and local governments can use to help address defense-related transportation needs. These programs provided approximately \$42.4 billion for highway improvements

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in states and the District of Columbia in fiscal year 2009.<sup>31</sup> In addition, since February 2009, the American Recovery and Reinvestment Act of 2009 (the Recovery Act) has provided additional funding for highway infrastructure projects—approximately \$25.6 billion to state and local governments for over 12,300 highway projects—selected by the state and local governments. Recovery Act funds may be used for defense-related projects, but the projects need to have been ready to begin construction in 2009 or 2010. The Recovery Act required that the Department of Transportation obligate 100 percent of these funds to the states, by March 1, 2010.<sup>32</sup> Defense-related projects in some communities may not have been eligible for Recovery Act funds if the projects were in the design or planning phase and were not ready to begin construction. Furthermore, in order to receive any federal transportation funding, all projects must go through the relevant state and local transportation planning processes, which, according to a Department of Transportation official, require a comprehensive approach to highway planning, including consideration of alternatives and environmental and safety planning. The time requirements to complete federally required state planning processes may prevent some transportation products from being completed by the September 15, 2011, BRAC implementation deadline, as these processes can require significant time to complete. Nevertheless, some states were able to use Recovery Act funds to begin construction on projects in certain defense-affected communities. During our interviews with installation officials, 11 of the 26 installations we spoke with identified Recovery Act funds as a source of funding for some of transportation needs. For example, the state of Florida is using \$46 million in Recovery Act funds for an intersection grade separation project near Eglin Air Force Base, and Virginia is using about \$60 million in Recovery Act funds to complete the Fairfax County Parkway project, which is expected to alleviate traffic congestion near Fort Belvoir.

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<sup>31</sup>In recent years, revenues to support the Highway Trust Fund have not kept pace with spending levels and the Highway Trust Fund was nearly depleted in the summer of 2008. Declining revenues in the trust fund may adversely affect the Department of Transportation's ability to continue to fund surface transportation programs in the future.

<sup>32</sup>The term obligation of funds, in this context, means the federal government's commitment to pay for the federal share of a project. For highways, this commitment occurs at the time the federal government signs a project agreement. States make payments to contractors for completed work, and the Federal Highway Administration then reimburses the states. All reimbursements for public transportation programs funded through the Recovery Act must be completed by September 30, 2015, except for those for administration, management, and oversight purposes.

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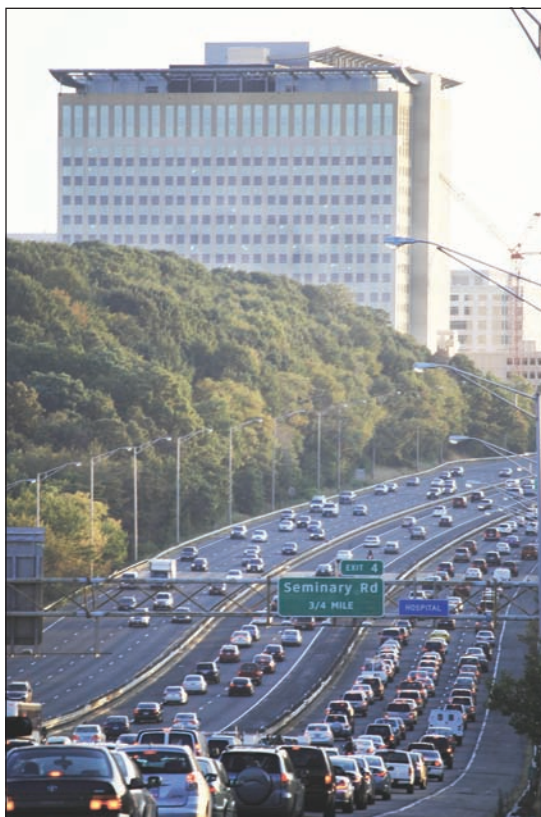
Some states have assisted installations by prioritizing projects to accommodate defense-related growth. For example, in Maryland, state transportation officials expedited a project at Aberdeen Proving Ground that was under consideration for DAR certification by providing full funding from state sources. This project was considered to be the most critical improvement in the community surrounding the installation to accommodate the anticipated growth. Additionally, the state of Alabama offered \$15 million to Redstone Arsenal to support road improvements on the installation. These funds will improve transportation infrastructure inside the installation to support its traffic growth. Also, the state of Texas used a public-private partnership to fund a new road to accommodate the anticipated growth at Fort Bliss. Under this partnership, a private company helped to fund the road and upon completion the Texas Department of Transportation will pay an annual fee based on the volume of traffic using the road. Through this partnership, the state of Texas was able to ensure that this needed infrastructure improvement would be in place prior to the arrival of Fort Bliss's expected growth.

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**Installation Officials  
Identified Many Unmet  
Transportation Needs and  
Two Factors That Limit  
DAR Use to Address Them**

The unmet needs across the communities most affected by DOD growth exceed the capabilities of the DAR program alone to meet them. One example is at Fort Belvoir's Mark Center location—the Army's recently acquired location in Alexandria, Virginia located about 13 miles north of Fort Belvoir's main post and about 6 miles south of the Pentagon. As a result of the 2005 BRAC process, construction of a high rise facility is currently under way and is expected to accommodate about 6,400 defense agencies' employees and other tenants that are expected to arrive by September 2011. Local residents, commuters, and elected officials have expressed concerns about the traffic impact along an already congested segment of Interstate 395. Figure 5 shows a typical morning rush hour near the site.

**Figure 5: Typical Morning Traffic Passing the Unfinished Mark Center in Alexandria, Virginia along Interstate 395 Going North to Washington, D.C. in September 2010**



Source: Alexandria Times.

In July 2010, DOD finalized a transportation management plan to minimize traffic impacts by encouraging carpooling, walking, and bicycling to work—the effectiveness of which is yet to be determined. In addition, the Virginia Department of Transportation, DOD, and the City of Alexandria have funded various studies on the future traffic impact of the Mark Center and have identified potential traffic mitigation alternatives. However, none of the improvements are planned to be in place prior to the occupancy of the Mark Center in 2011. According to one senior DOD official, it is unclear whether any future plans for improving roads, ramps, and public transportation would qualify for DAR funding.

Of the 26 military installations we interviewed, 15 identified at least one of two main factors related to the current design of the DAR program that limit their ability to use the program as a tool to provide greater

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transportation assistance to affected communities—eligibility criteria and funding process.<sup>33</sup> First, installation officials noted that the program’s eligibility criteria limit the number of transportation projects that qualify for DOD funding. For example, those officials said that the criterion requiring installations to demonstrate a doubling of traffic is difficult to meet in urban areas, such as the metropolitan Washington, D.C. area, because many of these roadways are already beyond capacity due to the high volume of traffic and doubling of that traffic is nearly impossible.

The National Academy of Sciences is currently examining, among other defense-related transportation impacts, the possible impact of expanding the DAR criteria.<sup>34</sup> Additionally, DOD is currently studying expanding the DAR eligibility criteria but is awaiting the results of the National Academy of Sciences study, which is to be issued in January 2011, before determining whether to expand the criteria to allow more transportation projects to become eligible for the DAR program. The potential reasons for not expanding the criteria could include the fact that the resulting increase in the number of transportation projects deemed eligible for DAR funds would not necessarily result in those projects being funded.

The second area of the current DAR program design identified by installation officials limiting the usefulness of DAR is the program’s funding process, which calls for potential DAR projects to compete for military construction funding with on-installation infrastructure projects, such as barracks and administrative buildings. The installation officials who cited funding as an issue told us that installation commanders are reluctant to prioritize off-installation roads over on-installation needs for military construction funding and that roads were unlikely to receive military construction funding given the other demands on this funding source. According to a senior Army official, there are currently at least \$62 billion in unfunded military construction projects awaiting funding in the Army alone.<sup>35</sup> In addition, as we reported in September 2009,

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<sup>33</sup>As noted above, 4 of the 26 installations chose not to comment on questions concerning what worked well with the DAR program and what could be improved, due to their lack of knowledge of or experience with the DAR program. Of these 15 installations, 8 identified criteria as limiting their ability to use the program, while 13 installations stated that the program funding structure limited their use.

<sup>34</sup>The National Academy of Sciences was directed to conduct the study in a congressional conference report, H.R. Conf. Rep. No. 111-366, at 1344-1345 (2009).

<sup>35</sup>Of the 26 growth installations, responsibility for 17 are with the Army, 4 are with the Air Force, 1 is with the Navy, and 4 are with the Marine Corps.

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communities surrounding installations affected by growth resulting from the BRAC process alone have identified an estimated \$2 billion in unmet transportation needs.<sup>36</sup>

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## DOD and Department of Transportation Lack a Coordinated Approach for Identifying Transportation Project Funding for DOD-Growth Communities

As we have noted in our prior work on DOD-growth communities, high-level leadership is essential to leverage scarce federal resources to help address vital infrastructure issues.<sup>37</sup> DOD Directive 5410.12 states that it is the Department of Defense policy to take the leadership role in assisting communities substantially and seriously affected by DOD relocation activities.<sup>38</sup> Executive Order 12788 directs federal agencies to give priority consideration to requests from defense-affected communities for federal assistance.<sup>39</sup> In 2008, we recommended that the Secretary of Defense direct the Under Secretary of Defense (Acquisition, Technology, and Logistics)—who oversees assistance to defense-affected communities and serves as the Chair of the 22-agency Economic Adjustment Committee—to implement Executive Order 12788 by holding regular meetings of the full executive-level Economic Adjustment Committee and by serving as a clearinghouse for identifying expected community impacts and problems as well as identifying existing resources for providing economic assistance to communities affected by DOD activities. Despite concurring with our recommendation, DOD has yet to convene the full committee except to address concerns stemming from the military buildup in Guam and, to a limited extent, at Fort Bragg. We continue to believe that it is necessary and appropriate for DOD to implement our prior recommendation to use the committee as a coordinated body for marshalling resources at the federal level that can help address potential infrastructure gaps at the affected communities. Specifically concerning unmet transportation needs, until DOD takes a larger leadership role and better coordinates with the Department of Transportation, at a minimum, to address unmet

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<sup>36</sup> [GAO-09-750](#). In addition to BRAC, the installations included in this review are experiencing growth due to the Army's force modularity, Grow the Force, and DOD's overseas rebasing initiatives.

<sup>37</sup> [GAO-08-665](#).

<sup>38</sup> DOD Directive 5410.12, *Economic Adjustment Assistance to Defense-Impacted Communities* (July 5, 2006).

<sup>39</sup> Exec. Order No. 12788, 57 Fed. Reg. 2213 (Jan. 21, 1992) as amended. (See appendix IV for the full text of Executive Order 12788.) This priority consideration is to be afforded as part of a comprehensive plan to be used by the Economic Adjustment Committee as established under this order.

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transportation needs surrounding DOD growth installations, it is likely that a large number of transportation needs will not be met and quality of life for both military and civilian residents could be degraded.

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## Conclusions

Despite its traditionally limited utility, more attention has been focused on the DAR program as a potential solution to traffic congestion and other unmet transportation needs. The long list of unaddressed transportation needs has recently been intensified by the combination of a nationwide economic downturn coupled with unprecedented military growth activities. While the DAR program has begun to help mitigate some of these needs, the potential exists that it could provide more assistance under the current program design if it was better understood by all installation commanders. Without a concerted effort by DOD and the Department of Transportation to update DAR regulations and guidance, provide additional working-level guidance to potential DAR program users, and effectively communicate that guidance to stakeholders, opportunities may be missed to make effective use of the existing DAR program under the current procedures. Further, given the project-specific process of determining eligibility under current criteria and the challenge of obtaining funding for those projects certified as eligible, recent successes may be driven more by the dedicated work of the individuals involved rather than the program's design. While we acknowledge that simply updating and clarifying the regulations and providing and communicating better working level guidance concerning the DAR program would not put it in a position to address all the transportation needs surrounding growing military installations, such actions could increase the accessibility and usefulness of the program to its stakeholders.

High-level interagency coordination regarding policy and funding decisions by DOD and the Department of Transportation could affect the potential of the DAR program to meet the needs of communities most severely affected by DOD growth. Furthermore, unless high-level interagency leadership takes additional steps to improve the utilization of DAR—in conjunction with other federal programs that provide funding for transportation projects nationwide—both installations and communities affected by DOD growth will continue to struggle to address their transportation needs. Moreover, without a strategy for providing priority assistance and leveraging funding for transportation projects surrounding its DOD-growth installations, infrastructure needs both on and off the installation will continue to be subject to funding uncertainties, and both military readiness and the communities' ability to plan to meet the needs



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of their citizens could suffer. Specifically, Executive Order 12788 provides DOD a tool—the 22-agency Economic Adjustment Committee—to help ensure that the federal government effectively and efficiently leverages scarce resources to assist impacted communities. By convening the committee specifically to address transportation issues surrounding military growth installations, DOD may be able to reach agreement with other federal agencies to meet more of those unmet needs by more fully leveraging federal resources to their best advantage.

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## Recommendations for Executive Action

In order to better utilize the DAR program as it is currently designed, we recommend that the Secretary of Defense work with the Secretary of Transportation to (1) update regulations and clarify guidance for the DAR certification and funding processes, (2) develop working-level guidance for potential program users, and (3) effectively communicate the regulations and working-level guidance to all federal, state and local stakeholders.

As DOD implements our June 2008 recommendation to regularly hold meetings with high-level federal officials of the full Economic Adjustment Committee,<sup>40</sup> as DOD agreed to do in concurring with our recommendation, we further recommend that the Secretary of Defense direct the Under Secretary of Defense (Acquisition, Technology, and Logistics) to routinely coordinate with the Secretary of Transportation to (1) meet regularly, (2) identify all existing federal transportation funding resources, and (3) develop a strategy for affording priority consideration for the use of those funds and other resources for the benefit of communities most severely affected by DOD.

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## Agency Comments and Our Evaluation

In written comments on a draft of this report, DOD partially concurred with our recommendations. The Department of Transportation agreed to consider, but did not provide detailed comments on our recommendations. Both agencies provided technical comments, which we incorporated where appropriate. DOD's written comments are reprinted in their entirety in appendix V.

Regarding our first recommendation that the Secretary of Defense work with the Secretary of Transportation to update regulations and clarify

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<sup>40</sup> [GAO-08-665](#).

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guidance communicated to all stakeholders, DOD partially concurred. DOD stated that although it will work with the Department of Transportation to update DAR regulations and clarify guidance, they believe sufficient guidance for and awareness of the program exists. However, we continue to believe that in order to provide an opportunity for better utilization of the DAR program, DOD needs to work with the Department of Transportation to develop working-level guidance and effectively communicate the regulations and working-level guidance to all federal, state, and local stakeholders. The primary basis for this recommendation was our finding that some military officials from the 26 installations interviewed were unfamiliar with the DAR program and how it works despite DOD's outreach efforts. Furthermore, officials from 11 installations stated that more information on how to certify and fund DAR projects would be helpful. Thus, we continue to believe that, without taking steps to improve and communicate DAR guidance, the opportunity to provide for better utilization of the program by its stakeholders remains limited.

Regarding our second recommendation that the Secretary of Defense routinely coordinate with the Secretary of Transportation to meet regularly, identify existing federal transportation funding resources, and develop a strategy for affording priority consideration for the use of those funds, DOD partially concurred. DOD stated that the department would continue to work closely with the Department of Transportation to assist communities affected by DOD actions, but that the Department of Transportation does not have discretionary funds that it can use to target defense-impacted communities, and instead, state and local communities must advance defense-related transportation projects. We recognize that highway grant funding formulas place limits on the ability of the Department of Transportation to direct federal transportation funds to defense affected communities and that state and local communities have a role in prioritizing transportation funding, as clearly stated in our report. Nonetheless, Executive Order 12788 specifies that the Economic Adjustment Committee shall develop procedures for, among other things, ensuring that states and localities are notified of available federal economic adjustment programs that would presumably include transportation-related assistance. DOD also stated in its letter that it continues to assist communities most severely affected by DOD actions to adequately scope needed transportation projects. Our recommendation is intended to enhance DOD's and the Department of Transportation's efforts in working within the existing federal-state partnership of transportation agencies to scope needed transportation projects and help ensure that federal agencies through the Economic Adjustment Committee continue

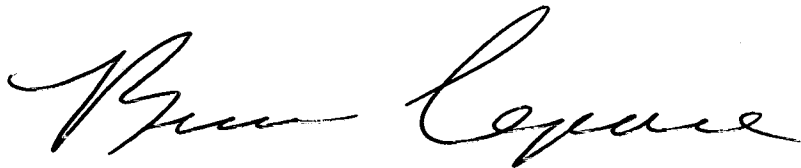
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to afford priority consideration to requests for assistance from defense affected communities. If DOD and the Department of Transportation prefer to jointly assist defense affected communities and, by extension, the relevant state agencies, to ensure adequate transportation improvements at the growth bases outside of the Economic Adjustment Committee process, as DOD suggested in its written comments, that would meet the intent of our recommendation.

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As agreed with your office, unless you publicly announce the contents of this report earlier, we plan no further distribution until 30 days from the report date. We will then send copies of this report to interested congressional committees, the Secretary of Defense, the Secretary of Transportation, Secretaries of Army, Air Force, and Navy and the Commandant of the Marine Corps; and the Director, Office of Management and Budget. The report is also available at no charge on GAO's Web site at <http://www.gao.gov>.

If you or your staff have any questions concerning this report, please contact me at (202) 512-4523 or [leporeb@gao.gov](mailto:leporeb@gao.gov). Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. Key contributors to this report are listed in appendix VI.

A handwritten signature in black ink, appearing to read "Brian Lepore". The signature is fluid and cursive, with the first name "Brian" and last name "Lepore" clearly distinguishable.

Brian J. Lepore, Director  
Defense Capabilities and Management

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# Appendix I: Scope and Methodology

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To address our objectives, we focused our review on the 26 military installations that have created “growth communities” identified by the Department of Defense’s (DOD) Office of Economic Adjustment as those communities substantially and seriously affected by defense actions arising from the implementation of the 2005 Base Realignment and Closure (BRAC) recommendations, the Global Defense Posture Realignment, Army force modularity, and Grow the Force initiatives, as of December 2010.<sup>1</sup> The Office of Economic Adjustment also identified Guam as a growth community. However, we have and are continuing to perform a body of work focused exclusively on Guam, and therefore Guam was not included in this review. For the purposes of this report, we describe the growth by installation name rather than by the community name. According to DOD, three installations are located in the growth community of North Carolina Eastern Region—Camp Lejeune Marine Corps Base, Cherry Point Marine Corps Air Station, and New River Marine Corps Air Station—and therefore, this review addresses the transportation needs and the use of the Defense Access Roads (DAR) program at a total of 26 growth “installations,” as listed in table 1 of this report, rather than 24 growth “communities.” In addition, to address our objectives, we developed a data collection instrument consisting of 12 structured interview questions addressing: (1) the installation’s transportation needs; (2) the possible sources of funding to address the needs; (3) the installation officials’ experience in interacting with state, local, and federal transportation authorities; (4) the impact, if any, of unmet transportation needs; (5) the installation officials’ awareness of the DAR program; its purpose, and its process; (6) the use of DAR program at the installation since 2000; and (7) the installation officials’ experiences with what works well and what improvements could be made to the DAR program. We administered the

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<sup>1</sup>The Secretary of Defense may provide economic adjustment assistance to any community located near a military installation being closed or realigned as part of the 2005 BRAC round. Pub. L. No. 101-510, Title XXIX, § 2905, as amended by Pub. L. No. 107-107, Title XXX (2001). The Secretary of Defense may also provide adjustment assistance to growth communities meeting specific criteria for being affected by certain DOD activities. 10 U.S.C. § 2391. To be eligible under the section 2391 authority, an affected community must meet two standards: (1) community impact assistance or special impact assistance is not otherwise available, and (2) the establishment or expansion involves the assignment of more than 2,000 direct military, civilian, and contractor DOD personnel or more military, civilian, and contractor personnel than the number equal to 10 percent of the number of persons employed in counties or independent municipalities within 15 miles of the installation, whichever is lesser. Additionally, the Office of Economic Adjustment makes a finding that the affected community will experience a “direct and significantly adverse consequence” based on the direct DOD impacts in light of community-specific needs and resources.

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data collection instrument by conducting telephone interviews with officials from 23 of the 26 installations and in-person interviews with officials from the remaining three installations—the Naval Support Activity Bethesda in Maryland; Fort Bliss in El Paso, Texas; and Fort Belvoir’s three locations in Northern Virginia—between May 2010 and July 2010. We worked with the military services’ audit liaisons and the installations’ internal review staff to identify and schedule interviews with appropriate officials at each installation who were knowledgeable about the installation’s transportation needs. By using structured interviews, we were able to compare and analyze responses across the growth installations. Prior to conducting our structured interviews of the 26 installations, we pre-tested our data collection instrument with officials at Fort Belvoir to ensure that it accurately captured the information we were seeking. We analyzed the collected data for trends in transportation needs, the impact of unmet needs, funding options, DAR program usage, and experience with the DAR process in particular and the program in general. Due to installation officials’ varying level of familiarity and experience with the DAR program, not all officials provided responses to the questions related to the DAR program. Where applicable, we reported the responses out of the total number of installations that responded.

To assess the extent to which the DAR program has been used to mitigate defense-related transportation needs in communities surrounding the 26 military growth installations, we collected and analyzed DOD data regarding use of the Defense Access Roads program at these installation locations between January 2001 and December 2010. To verify that appropriate documentation existed for the process of certifying a project as eligible under the program, we reviewed program files for the 11 growth installations that had secured program eligibility for at least one project. In order to determine the program’s purpose and processes, we (1) reviewed appropriate DOD and Department of Transportation regulations and guidance, (2) interviewed a DOD official in the Office of the Deputy Under Secretary of Defense (Installations and Environment) and Department of Transportation officials at the headquarters of the Federal Highway Administration in Washington, D.C., and (3) conducted extensive interviews with DOD officials responsible for implementing the DAR program at the Military Surface Deployment and Distribution Command—DOD’s program administrator—at Scott Air Force Base, Illinois, and with Department of Transportation officials from the Federal Highway Administration’s Eastern Federal Lands Highway Division in Sterling, Virginia, whose jurisdiction’s includes 18 of the 26 growth installations considered in this review. Furthermore, we reviewed recent DOD reports directed by Congress and congressional committees pertaining to the

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Defense Access Roads program and the transportation impacts at installations resulting from DOD initiatives.<sup>2</sup> In addition, to identify the policy issues surrounding the DAR program and any differences in DAR-related processes between the military services and to obtain points of contact for the installations in the scope of our review, we interviewed representatives from the military services that were cognizant of transportation and other growth-related issues, including officials from:

- Office of the Air Force Civil Engineer, Program Division, U.S. Air Force, Arlington, Virginia
- Army Office of the Assistant Chief of Staff for Installation Management, Arlington, Virginia
- Army Installation Management Command, Headquarters, San Antonio, Texas
- Office of the Assistant Secretary of the Navy, Arlington, Virginia
- Navy Base Realignment and Closure Program Management Office, Arlington, Virginia
- Naval Facilities Engineering Command, Military Construction, Arlington, Virginia
- Headquarters, U.S. Marine Corps, Arlington, Virginia

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<sup>2</sup>The reports include:

(1) Secretary of Defense, Chairman of the Joint Chief's of Staff, *Defense Access Roads Program and Military Installations Affected by Defense Base Closure or Integrated Global Presence and Basing Strategy*, March 2007, provided to the Chairman and Ranking Members on the Committee on Armed Services and the Committee on Appropriations in both the U.S. Senate and the House of Representatives, as directed by section 2837 of the National Defense Authorization Act for Fiscal Year 2006, Pub. L. No. 109-163, § 2837 (2006).

(2) Secretary of Defense, Chairman of the Joint Chief's of Staff, *Defense Access Roads Criteria*, October 2008, provided to the Chairman and Ranking Members on the Committee on Armed Services and the Committee on Appropriations in both the U.S. Senate and the House of Representatives, as directed by Senate Report 110-335, accompanying the National Defense Authorization Act for Fiscal Year 2009. S. Rpt. No. 110-335 at 477-478 (2008).

(3) Secretary of Defense, *Transportation Impacts near Department of Defense Facilities*, September 2009, provided to the congressional defense committees and the Committee on Transportation and Infrastructure of the House of Representatives, as directed by section 2814 of the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009. Pub. L. No. 110-417, § 2814 (2008) stated in Title XXVIII, Subtitle B, of S. 3001 dated September 27, 2008.

To better determine how states' varying approaches to responding to DOD-initiated growth and how interactions between officials from military installations and transportation authorities impacted the use of the DAR program, we conducted more in-depth field work in Maryland, Texas, and Virginia, the three states with the largest number of military growth communities, as shown in table 3 below.

**Table 3: Number of Growth Communities by State**

	State	Growth Communities
1.	Maryland	4
2.	Texas	3
3.	Virginia	3
4.	Georgia	2
5.	North Carolina	2
6.	Alabama	1
7.	Colorado	1
8.	Florida	1
9.	Kansas	1
10.	Kentucky	1
11.	Louisiana	1
12.	New Mexico	1
13.	New York	1
14.	Oklahoma	1
15.	Washington	1
	<b>Total</b>	<b>24</b>

Source: GAO analysis of DOD data.

In each of the three states we visited, we interviewed officials from one growth installation, as well as transportation authorities from the Federal Highway and the three states' transportation departments. In Maryland, we interviewed officials at Naval Support Activity Bethesda, the Federal Highway Administration Federal-aid Division Office in Baltimore, and the Maryland Department of Transportation State Highway Administration in Baltimore. In Virginia, we interviewed officials at Fort Belvoir in Springfield, Fairfax County, the Federal Highway Administration Federal-aid Division Office in Richmond, and the Virginia Department of Transportation in Chantilly. In Texas, we interviewed officials at Fort Bliss in El Paso, the Federal Highway Administration Federal-aid Division Office in Austin, and the Texas Department of Transportation in Austin. We also met with local transportation officials from El Paso, Texas.

We chose to conduct field work and interview officials at the Naval Support Facility Bethesda in Maryland, because of the unique nature of the installation's DAR project. While the details are still undetermined, the DAR project will assist in funding a pedestrian access—a non-road-related project—to address a road-related transportation need at a congested intersection. We chose Fort Bliss, Texas because it was the only installation in the state with a DAR project and because the installation applied for DAR funds in 2009, years after the installation's planned growth was made known. We chose Fort Belvoir, Virginia because the installation had the most DAR projects of all growth installations. During field work at Fort Belvoir, we observed the three geographically separate locations of the installation—the Main Post in Fairfax County; the North Post, formerly referred to as the Engineering Proving Ground, also in Fairfax County; and the Mark Center in the City of Alexandria (located about 13 miles north of the Main Post). To obtain community perspectives about transportation challenges and the DAR program, we reviewed the literature of and interviewed officials from the Association of Defense Communities, the National Governors Association, and DOD's Office of Economic Adjustment. We also attended two local community meetings in Alexandria, Virginia pertaining to transportation issues related to the Fort Belvoir location at the Mark Center.

To identify any additional steps that may be necessary to address a large pool of unmet transportation needs in impacted communities, we identified potential transportation funding resources related to assisting defense-affected communities. To identify other federal resources available to fund transportation projects, we reviewed the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users<sup>3</sup> and our prior work on the Highway Trust Fund and the American Recovery and Reinvestment Act.<sup>4</sup> To determine the leadership structure and roles and responsibilities related to the DAR program, we interviewed officials from the Office of the Under Secretary of Defense (Acquisition, Technology and Logistics) the U.S. Transportation Command, and the Federal Highway Administration. To determine federal policy regarding

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<sup>3</sup>Pub. L. No. 109-59, 119 Stat. 1144 (2005).

<sup>4</sup>*Highway Trust Fund: Improved Solvency Mechanisms and Communication Needed to Help Avoid Shortfalls in the Highway Account*, [GAO-09-316](#) (Washington, D.C.: Feb. 6, 2009); and *Recovery Act: Opportunities to Improve Management and Strengthen Accountability over States' and Localities' Use of Funds*, [GAO-10-999](#) (Washington, D.C.: Sept. 20, 2010).



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assistance for defense-impacted communities, we reviewed Executive Order 12788, which designates the Secretary of Defense, or his designee, as chair of the Economic Adjustment Committee and directs federal agencies to give priority consideration to requests for federal assistance from defense-affected communities as part of a comprehensive plan used by the committee, and DOD Directive 5410.12, which states that it is DOD policy to take a leadership role in assisting defense-affected communities. To determine the status of the Economic Adjustment Committee, we spoke with officials at DOD's Office of Economic Assistance. We further reviewed our prior work related to challenges facing military growth communities and the findings resulting from that work,<sup>5</sup> and confirmed the status of Economic Adjustment Committee meetings with DOD. We also attended a meeting at the National Academy of Sciences on Federal Funding of Transportation Improvements in BRAC Cases and met with the Director of Studies and Special Programs at the National Academy of Sciences' Transportation Research Board to determine the scope and projected time frames for the Academy's ongoing study on funding sources for defense-related transportation impacts.

We conducted this performance audit from November 2009 through December 2010 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

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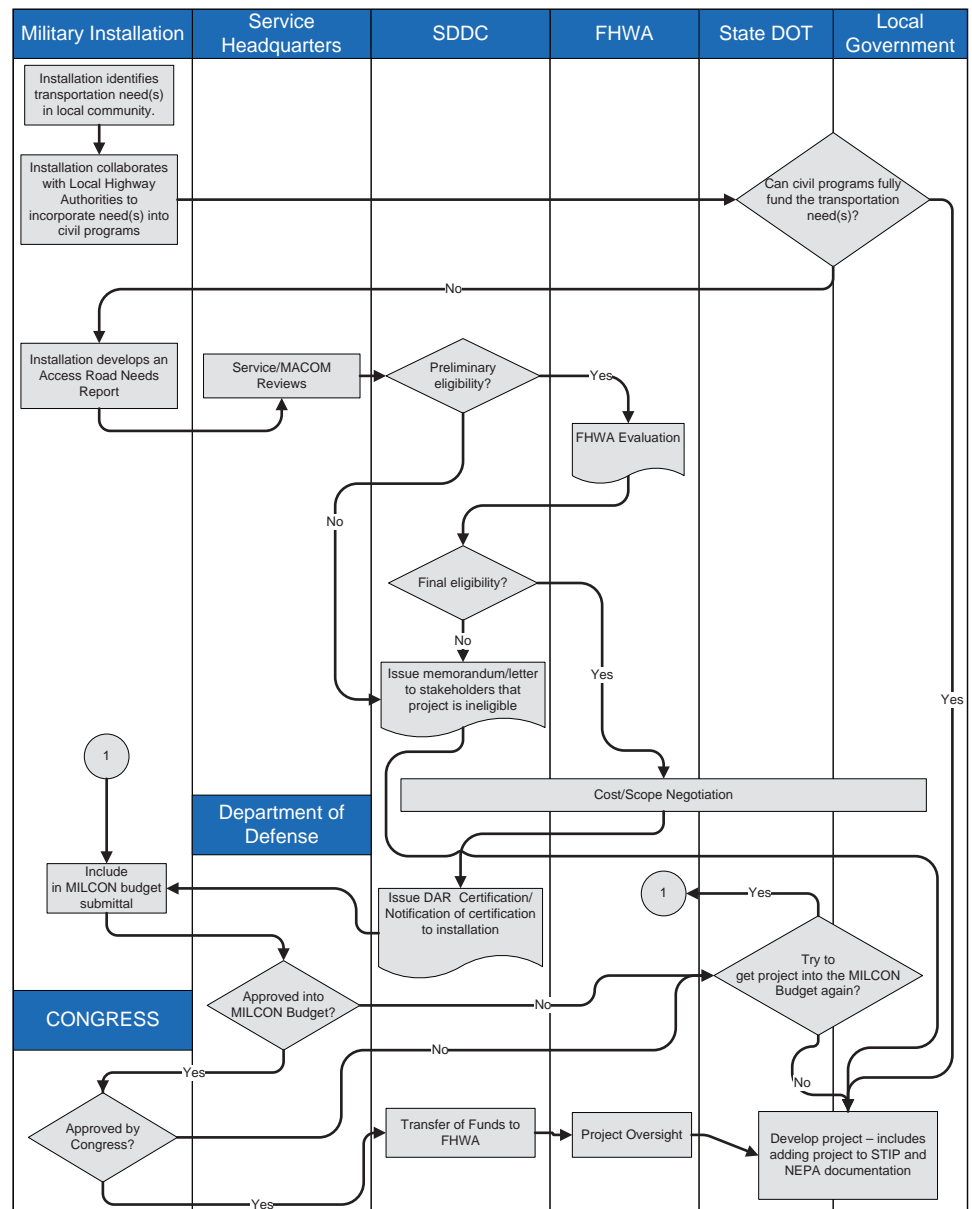
<sup>5</sup>GAO, *Defense Infrastructure: High-Level Leadership Needed to Help Communities Address Challenges Caused by DOD-Related Growth*, [GAO-08-665](#) (Washington, D.C.: June 17, 2008); and *Military Base Realignment and Closures: Transportation Impact of Personnel Increases Will Be Significant, but Long-Term Costs are Uncertain and Direct Federal Support is Limited*, [GAO-09-750](#) (Washington, D.C.: Sept. 9, 2009).

# Appendix II: Selected Provisions Regarding the Defense Access Roads Program

Law	
<b>Statutory Criteria</b>	<b>Source</b>
<ul style="list-style-type: none"> <li>Replacing existing highways and highway connections that are shut off from the general public use by necessary closures or restrictions or</li> <li>Certified by the Secretary of Defense or other designated official as important to the national defense</li> </ul>	23 U.S.C. § 210
Regulations	
<b>Policy—Department of Defense (DOD)</b>	<b>Source</b>
<ul style="list-style-type: none"> <li>State and local Government authorities are expected to develop and maintain adequate highways to serve permanent defense installations and activities the same as for other non-defense traffic generators.</li> <li>The DAR program provides a means for DOD to pay a fair share for public highway improvements required as the result of a sudden or unusual defense-generated traffic impact or a unique defense public highway requirement.</li> </ul>	AR 55-80/ OPNAVINST 11210.2/ AFMAN 32-1017/ MCO 11210.2D/ DLAR 4500.19, <i>DOD Transportation Engineering Program</i>
<b>Policy—Department of Transportation</b>	<b>Source</b>
<ul style="list-style-type: none"> <li>State and local highway agencies are expected to assume the same responsibility for developing and maintaining adequate highways to permanent defense installations as they do for highways serving private industrial establishments or any other permanent traffic generators.</li> <li>The Federal Government expects that highway improvements in the vicinity of defense installations will receive due priority consideration and treatment as State and local agencies develop their programs of improvement.</li> <li>The Federal Highway Administration will provide assistance, as requested by DOD's Military Surface Deployment and Distribution Command, to ascertain state program plans for improvements to roads serving as access to defense installations.</li> <li>It is recognized that problems may arise in connection with the establishment, expansion, or operation of defense installations which create an unanticipated impact upon the long-range requirements for the development of highways in the vicinity. These problems can be resolved equitably only by federal assistance from other than normal federal-aid highway programs for part or all of the cost of highway improvements necessary for the functioning of the installation.</li> </ul>	Federal Highway Administration 23 C.F.R. § 660.509
Guidance	
<b>Criteria</b>	<b>Source</b>
<ul style="list-style-type: none"> <li>Highways constructed to replace those closed by establishment of new military installations or the expansion of old ones.</li> <li>Access roads providing new connections between either old or new military installations and main highways.</li> <li>Urgently needed improvements of existing highways upon which traffic is suddenly doubled by reason of the establishment or expansion of a permanent military installation.</li> <li>Urgent improvements needed to avoid intolerable congestion or critical structural failure of any highway serving a temporary surge of defense-generated traffic.</li> <li>Alteration of a public road in the immediate vicinity of a military installation to accommodate regular and frequent movements of special military vehicles.</li> </ul>	Federal Highway Administration Non-Regulatory Supplement to 23 C.F.R. § 660E Attachment 2 <i>Eligibility Criteria</i>

Source: GAO analysis of selected provisions regarding the DAR program.

# Appendix III: Defense Access Roads Program Process



**SDDC:** Military Surface Deployment and Distribution Command  
**FHWA:** Federal Highway Administration  
**DOT:** Department of Transportation  
**NEPA:** National Environmental Policy Act  
 Source: Department of Transportation, with input from DOD.

**MACOM:** Major Command  
**MILCON:** Military construction funds  
**STIP:** Statewide Transportation Improvement Program

# Appendix IV: Executive Order 12788 as Amended through May 2005

## EXECUTIVE ORDER 12788

## THE PRESIDENT

## As AMENDED

### Defense Economic Adjustment Program

By the authority vested in me as President by the Constitution and the laws of the United States of America, including 10 U.S.C. 2391 and the Defense Economic Adjustment, Diversification, Conversion, and Stabilization Act of 1990, enacted as Division D, section 4001 *et seq.*, of the National Defense Authorization Act for Fiscal Year 1991, Public Law 101-510, and to provide coordinated Federal economic adjustment assistance necessitated by changes in Department of Defense activities, it is hereby ordered as follows:

Section 1. *Function of the Secretary of Defense.* The Secretary of Defense shall, through the Economic Adjustment Committee, design and establish a Defense Economic Adjustment Program.

Sec. 2. The Defense Economic Adjustment Program shall (1) assist substantially and seriously affected communities, businesses, and workers from the effects of major Defense base closures, realignments, and Defense contract-related adjustments, and (2) assist State and local governments in preventing the encroachment of civilian communities from impairing the operational utility of military installations.

Sec. 3 *Functions of the Defense Economic Adjustment Program.* The Defense Adjustment Program shall:

(a) Identify problems of States, regions, metropolitan areas, or communities that result from major Defense base closures, realignments, and Defense contract-related adjustments, and the encroachment of the civilian community on the mission of military installations and that require Federal assistance;

(b) Use and maintain a uniform socioeconomic impact analysis to justify the use of Federal economic adjustment resources prior to particular realignments;

(c) Apply consistent policies, practices, and procedures in the administration of Federal programs that are used to assist Defense-affected States, regions, metropolitan areas, communities, and businesses;

(d) Identify and strengthen existing agency mechanisms to coordinate employment opportunities for displaced agency personnel;

(e) Identify and strengthen existing agency mechanisms to improve reemployment opportunities for dislocated Defense industry personnel;

(f) Assure timely consultation and cooperation with Federal, State, regional, metropolitan, and community officials concerning Defense-related impacts on Defense-affected communities' problems;

(g) Assure coordinated interagency and intergovernmental adjustment assistance concerning Defense impact problems;

(h) Prepare, facilitate, and implement cost-effective strategies and action plans to coordinate interagency and intergovernmental economic adjustment efforts;

(i) Encourage effective Federal, State, regional, metropolitan, and community cooperation and concerted involvement of public interest groups and private sector organizations in Defense economic adjustment activities;

(j) Serve as a clearinghouse to exchange information among Federal, State, regional, metropolitan, and community officials involved in the resolution of community economic adjustment problems. Such information may include, for example, previous studies, technical information, and sources of public and private financing;

(k) Assist in the diversification of local economies to lessen dependence on Defense activities;

(l) Encourage and facilitate private sector interim use of lands and buildings to generate jobs as military activities diminish;

(m) Develop ways to streamline property disposal procedures to enable Defense-impacted communities to acquire base property to generate jobs as military activities diminish; and

(n) Encourage resolution of regulatory issues that impede encroachment prevention and local economic adjustment efforts.

Sec. 4. *Economic Adjustment Committee.*

(a) *Membership.* The Economic Adjustment Committee ("Committee") shall be composed of the following individuals or a designated principal deputy of these individuals, and such other individuals from the executive branch as the President may designate. Such individuals shall include the:

- (1) Secretary of Agriculture;
- (2) Attorney General;
- (3) Secretary of Commerce;

- (4) Secretary of Defense;
- (5) Secretary of Education;
- (6) Secretary of Energy;
- (7) Secretary of Health and Human Services;
- (8) Secretary of Housing and Urban Development;
- (9) Secretary of Interior;
- (10) Secretary of Labor;
- (11) Secretary of State;
- (12) Secretary of Transportation;
- (13) Secretary of Treasury;
- (14) Secretary of Veterans Affairs;
- (15) Secretary of Homeland Security;
- (16) Chairman, Council of Economic Advisers;
- (17) Director of the Office of Management and Budget;
- (18) Director of the Office of Personnel Management;
- (19) Administrator of the Environmental Protection Agency;
- (20) Administrator of General Services;
- (21) Administrator of the Small Business Administration; and
- (22) Postmaster General.

(b) The Secretary of Defense, or the Secretary's designee, shall chair the Committee.

(c) The Secretaries of Labor and Commerce shall serve as Vice Chairmen of the Committee. The Vice Chairmen shall co-chair the Committee in the absence of both the Chairman and the Chairman's designee and may also preside over meetings of designated representatives of the concerned executive agencies.

(d) *Executive Director.* The head of the Department of Defense's Office of Economic Adjustment shall provide all necessary policy and administrative support for the Committee and shall be responsible for coordinating the application of the Defense Economic Adjustment Program to Department of Defense activities.

(e) *Duties.* The Committee shall:

(1) Advise, assist, and support the Defense Economic Adjustment Programs;

(2) Develop procedures for ensuring that State, regional, and community officials, and representatives of organized labor in those States, municipalities, localities, or labor organizations that are substantially and seriously affected by changes in Defense expenditures, realignments or closures, or cancellation or curtailment of major Defense contracts, are notified of available Federal economic adjustment programs; and

(3) Report annually to the President and then to the Congress on the work of the Economic Adjustment Committee during the preceding fiscal year.

*Sec. 5. Responsibilities of Executive Agencies.*

(a) The head of each agency represented on the Committee shall designate an agency representative to:

(1) Serve as a liaison with the Secretary of Defense's economic adjustment staff;

(2) Coordinate agency support and participation in economic adjustment assistance projects; and

(3) Assist in resolving Defense-related impacts on Defense-affected communities.

(b) All executive agencies shall:

(1) Support, to the extent permitted by law, the economic adjustment assistance activities of the Secretary of Defense. Such support may include the use and application of personnel, technical expertise, legal authorities, and available financial resources. This support may be used, to the extent permitted by law, to provide a coordinated Federal response to the needs of individual States, regions, municipalities, and communities adversely affected by necessary Defense changes; and

(2) Afford priority consideration to requests from Defense-affected communities for Federal technical assistance, financial resources, excess or surplus property, or other requirements, that are part of a comprehensive plan used by the Committee.

*Sec. 6. Judicial Review.* This order shall not be interpreted to create any right or benefit, substantive or procedural, enforceable at law by a party against the United States, its agencies, its officers, its agents, or any person.

*Sec. 7. Construction.* (a) Nothing in this order shall be construed as subjecting any function vested by law in, or assigned pursuant to law to, any agency or head thereof to the authority of any other agency or officer or as abrogating or restricting any such function in any manner.

(b) This order shall be effective immediately and shall supersede Executive Order No 12049.

GEORGE BUSH  
THE WHITE HOUSE  
January 15, 1992.

[Amended 2/28/03 by President George W. Bush, E.O. 13286]  
[Amended 5/12/05 by President George W. Bush, E.O. 13378]

# Appendix V: Comments from the Department of Defense



## OFFICE OF THE UNDER SECRETARY OF DEFENSE

3000 DEFENSE PENTAGON  
WASHINGTON, DC 20301-3000

JAN 20 2011

Mr. Brian Lepore  
Director, Defense Capabilities and Management  
U.S. Government Accountability Office  
441 G Street, N.W.  
Washington, DC 20548

Dear Mr. Lepore:

This is the Department of Defense (DoD) response to the GAO Draft Report, GAO-11-165, "DEFENSE INFRASTRUCTURE: High-Level Federal Interagency Coordination is Warranted to Address Transportation Needs Beyond the Scope of the Defense Access Roads Program," dated November 23, 2010, (GAO Code 351439). Detailed comments on the report recommendations are enclosed.

The Department partially concurs with the GAO recommendations. DoD will work with the Department of Transportation (DOT) to update regulations and will determine whether working level guidance and better communication with stakeholders is necessary. DoD will continue to work with DOT to provide technical and financial assistance to communities affected by DoD actions. However, given the non-discretionary nature of highway funding formulas, we believe it is best for communities to work with their respective state transportation departments to advance their defense-related transportation projects for priority consideration and funding.

Sincerely,

A handwritten signature in black ink, appearing to read "Dorothy Robyn".

Dorothy Robyn  
Deputy Under Secretary of Defense  
(Installations and Environment)

Enclosure:  
As stated

**GAO DRAFT REPORT DATED NOVEMBER 23, 2010  
GAO-11-165 (GAO CODE 351439)**

**“DEFENSE INFRASTRUCTURE: HIGH-LEVEL FEDERAL  
INTERAGENCY COORDINATION IS WARRANTED TO  
ADDRESS TRANSPORTATION NEEDS BEYOND THE SCOPE  
OF THE DEFENSE ACCESS ROADS PROGRAM”**

**DEPARTMENT OF DEFENSE COMMENTS  
TO THE GAO RECOMMENDATIONS**

**RECOMMENDATION 1:** The GAO recommends that the Secretary of Defense work with the Secretary of Transportation to:

1. update regulations and clarify guidance for the DAR certification and funding processes;
2. develop working-level guidance for potential program users; and
3. effectively communicate the regulations and working-level guidance to all federal, state and local stakeholders (See page 28/GAO Draft Report).

**DoD RESPONSE:** Partially concur. As part of its effort to revise the eligibility criteria, DoD will work with the Department of Transportation (DOT) to update DAR regulations and clarify guidance. However, we agree with the DAR program manager that sufficient guidance and awareness exists. As stated in the Department’s December 2008 DAR report to Congress, numerous DoD regulations provide guidance on the program and the DAR staff routinely works with stakeholders and installation personnel directly at various conferences and through its website. Nonetheless, the Surface Deployment and Distribution Command will evaluate whether working level guidance and other forms of communication are warranted to increase awareness.

**RECOMMENDATION 2:** As DoD implements our June 2008 recommendation to regularly hold meetings with high-level federal officials of the full Economic Adjustment Committee, as agreed to by DoD in concurring with our recommendation, the GAO recommends that the Secretary of Defense direct the Under Secretary of Defense (Acquisition, Technology and Logistics) to routinely coordinate with the Secretary of Transportation to:

1. meet regularly;
2. identify all existing federal transportation funding resources; and
3. develop a strategy for affording priority consideration for the use of those funds and other resources for the benefit of communities most severely affected by DoD (See page 28/GAO Draft Report).

**DoD RESPONSE:** Partially concur. The Department continues to work closely with DOT to assist communities affected by DoD. However, DOT does not have discretionary funds that it can use to target Defense-impacted communities. Formula-based federal transportation funds are distributed to state departments of transportation. States, in turn, have the discretion to prioritize and expend the funds according to their respective state transportation improvement plans.

In accordance with 49 CFR 1.48(b) Section 660.509, General Principles, “State and local highway agencies are expected to assume the same responsibility for developing and maintaining adequate highways to permanent defense installations as they do for highways serving industrial establishments or any other permanent traffic generators. The Federal government expects that highway improvements in the vicinity of defense installations will receive due priority consideration and treatment as State and local agencies develop their programs of improvement.” The Department continues to assist communities most severely affected by DoD to adequately scope needed transportation projects. It is incumbent upon these communities to advance their defense-related transportation projects to their respective state departments of transportation for priority consideration and funding.



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# Appendix VI: GAO Contacts and Staff Acknowledgments

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## GAO Contact

Brian J. Lepore (202) 512-4523 or leporeb@gao.gov

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## Acknowledgments

In addition to the contact named above, James R. Reifsnyder (Assistant Director), Karen L. Kemper (Analyst-in-Charge), Lindsay C. Taylor, Sara K. Olds, José A. Cárdenas, Susan C. Ditto, Gregory A. Marchand, and Elizabeth W. Wood made key contributions to this report.

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# Related GAO Products

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*Military Base Realignments and Closures: DOD Is Taking Steps to Mitigate Challenges but Is Not Fully Reporting Some Additional Costs.* [GAO-10-725R](#). Washington, D.C.: July 21, 2010.

*Defense Infrastructure: Army Needs to Improve Its Facility Planning Systems to Better Support Installations Experiencing Significant Growth.* [GAO-10-602](#). Washington, D.C.: June 24, 2010.

*Interagency Collaboration: Key Issues for Congressional Oversight of National Security Strategies, Organizations, Workforce, and Information Sharing.* [GAO-09-904SP](#). Washington, D.C.: September 25, 2009.

*Military Base Realignments and Closures: Transportation Impact of Personnel Increases Will Be Significant, but Long-Term Costs Are Uncertain and Direct Federal Support Is Limited.* [GAO-09-750](#). Washington, D.C.: September 9, 2009.

*High Level Leadership Needed to Help Guam Address Challenges Caused by DOD-Related Growth.* [GAO-09-500R](#). Washington, D.C.: April 9, 2009.

*Highway Trust Fund: Improved Solvency Mechanisms and Communication Needed to Help Avoid Shortfalls in the Highway Account.* [GAO-09-316](#). Washington, D.C.: February 6, 2009.

*Defense Infrastructure: High-Level Leadership Needed to Help Communities Address Challenges Caused by DOD-Related Growth.* [GAO-08-665](#). Washington, D.C.: June 17, 2008.

*Defense Infrastructure: DOD Funding for Infrastructure and Road Improvements Surrounding Growth Installations.* [GAO-08-602R](#). Washington, D.C.: April 1, 2008.

*Defense Infrastructure: Army and Marine Corps Grow the Force Construction Projects Generally Support the Initiative.* [GAO-08-375](#). Washington, D.C.: March 6, 2008.

*Surface Transportation: Restructured Federal Approach Needed for More Focused, Performance-Based, and Sustainable Programs.* [GAO-08-400](#). Washington, D.C.: March 6, 2008.

*Highway Public-Private Partnerships: More Rigorous Up-front Analysis Could Better Secure Potential Benefits and Protect the Public Interest.* [GAO-08-44](#). Washington, D.C.: February 8, 2008.

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**Related GAO Products**

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*State and Local Governments: Growing Fiscal Challenges Will Emerge during the Next 10 Years.* [GAO-08-317](#). Washington, D.C.: January 22, 2008.

*Results-Oriented Government: Practices That Can Help Enhance and Sustain Collaboration among Federal Agencies.* [GAO-06-15](#). Washington, D.C.: October 21, 2005.

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